

House File 2654 - Introduced

HOUSE FILE 2654

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 2566)

(SUCCESSOR TO HSB 685)

A BILL FOR

1 An Act relating to tax collections for buildings or
2 improvements erected or made by a person on land owned by
3 another person.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 445.32, Code 2024, is amended to read as
2 follows:

3 **445.32 Liens on buildings or improvements.**

4 1. If a building or improvement is erected or made by a
5 person other than the owner of the land on which the building
6 or improvement is located, as provided for in section 428.4,
7 and the actual value of the building or improvement is less
8 than twenty thousand dollars, the building is not a residential
9 building, or the improvement is not a residential improvement,
10 the taxes on the building or improvement are and remain a lien
11 on the building or improvement from the date of levy until
12 paid. If the taxes on the building or improvement become
13 delinquent, as provided in section 445.37, the county treasurer
14 shall collect the tax as provided in sections 445.3 and 445.4.
15 This ~~section~~ subsection does not apply to special assessments,
16 or rates or charges.

17 2. If a building or improvement is erected or made by a
18 person other than the owner of the land on which the building
19 or improvement is located, as provided for in section 428.4,
20 the actual value of the building or improvement is twenty
21 thousand dollars or more, and the building is a residential
22 building or the improvement is an improvement to a residential
23 building, the taxes on the building or improvement are and
24 remain a lien on the building or improvement from the date of
25 levy until paid. If the taxes on the building or improvement
26 become delinquent, as provided in section 445.37, the county
27 treasurer shall collect the tax as provided in sections 445.3
28 and 445.4 or pursuant to chapter 446.

29 3. If a county treasurer commences tax collection
30 procedures under this section for delinquent taxes on a
31 building or improvement, the county treasurer shall send
32 notice to the owner of the land on which the building or
33 improvement is collected in the form prescribed by section
34 446.9, subsection 1.

35

EXPLANATION

H.F. 2654

1 The inclusion of this explanation does not constitute agreement with
2 the explanation's substance by the members of the general assembly.

3 When property adjacent to a public improvement benefits from
4 the improvement, a special assessment may be levied against the
5 adjacent properties that received the benefit to pay for all
6 or a portion of the improvement. Under current law, principal
7 and interest due and delinquent because of a special assessment
8 cannot be collected on a building or improvement erected or
9 made by a person on land owned by another person pursuant to
10 Code sections 445.3 and 445.4. This bill allows collections
11 pursuant to Code sections 445.3 and 445.4 or Code chapter 446
12 (tax sales) relating to residential buildings or improvements
13 on residential buildings, with an actual value of \$20,000 or
14 more, erected or made by a person on land owned by another
15 person to include principal and interest due and delinquent
16 because of special assessment levies.

17 The bill requires a county treasurer to provide notice to
18 the owner of leased land on which a building or improvement
19 is erected prior to commencing tax collection procedures for
20 delinquent taxes on the building or improvement.